

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) PSC DOCKET NO. 15-1516
ENVIRONMENTAL RIDER RATE "ER" TO BE)
EFFECTIVE DECEMBER 1, 2015)
(FILED OCTOBER 29, 2015))

ORDER NO. 8817

AND NOW, this 24th day of November, 2015, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on October 29, 2015, Chesapeake Utilities Corporation ("Chesapeake" or the "Company") filed the above-captioned application (the "Application") with the Commission seeking approval to increase the rate for its Environmental Rider ("ER") under the process approved in PSC Order No. 4104 (December 19, 1995) in Docket No. 95-73, which authorized an annually adjusted surcharge mechanism to allow the Company to recover the expenses it has incurred or will incur for remediation of environmental damage liabilities; and

WHEREAS, in its Application, Chesapeake seeks to increase its current ER rate from \$0.0000 per Ccf to a positive surcharge rate of \$0.0001 per Ccf for all firm delivery service customers; and

WHEREAS, the Commission having determined, pursuant to 26 Del. C. §§304(a) and 306(a)(2), to permit the proposed ER rate to become effective on and after December 1, 2015, on a temporary basis, subject to refund, pending the completion of full evidentiary hearings concerning the proposed rate increase and a final decision of the Commission;

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. Pursuant to 26 Del. C. §§304(a) and 306(a)(2) and the process set forth by the Commission in Order No. 4104 (December 19, 1995), the proposed rate increase in the ER rate from \$0.0000 per Ccf to a positive surcharge rate of \$0.0001 per Ccf for all firm delivery service customers is hereby approved to become effective for gas usage on and after December 1, 2015, with proration and subject to refund pending further review and final decision by the Commission.

2. The Commission shall not assign this docket to a Hearing Examiner to conduct an evidentiary hearing, but, rather, shall conduct an evidentiary hearing on the Application during its regularly-scheduled meeting on **Tuesday, February 23, 2016, starting at 1:00 p.m.** at 861 Silver Lake Boulevard, 1st Floor Hearing Room, Cannon Building, Dover, Delaware 19904.

3. As outlined in the form of Public Notice, interested persons or entities are afforded the opportunity to file comments or objections to the proposed change in the ER rate. Such comments or objections must be filed **on or before December 31, 2015**. In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on February 23, 2016.

4. Pursuant to 26 Del. C. §502 and 29 Del. C. ch. 101, the Commission designates Hearing Examiner Mark Lawrence for the sole purpose of considering any petitions for intervention that may be filed in this docket.

5. Chesapeake shall provide public notice of the filing of its Application, this Order, and the date of the public comment session and the evidentiary hearing by publishing notices, in the form attached hereto as **Exhibit "A"**, in the legal classified section of The News Journal and Delaware State News newspaper in two-column format, outlined in black, on **December 1 and December 8, 2015**. Proof of such publication is to be provided to the Commission as soon as practical but not later than the commencement of the evidentiary hearing concerning this matter.

6. The deadline for intervention pursuant to *26 Del. Admin C. §1001-2.9* shall be **December 22, 2015**. Petitions for intervention that are not received by the Commission **on or before December 22, 2015** will not be granted unless good cause is shown. In addition, any intervenor wishing to oppose the Application must file written pre-filed testimony with the Commission, pursuant to the Commission's rules, on or before **Thursday, December 31, 2015**. Copies of such testimony must be served on the following persons:

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Any written pre-filed testimony sent by an intervenor that is not received by the Commission **on or before December 31, 2015**, will not be considered.

7. Chesapeake is hereby put on notice that it will be charged the costs incurred by the Commission Staff and the Division of the Public Advocate in connection with this proceeding under the provisions of 26 Del. C. §114(b)(1).

8. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

E X H I B I T "A"

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P U B L I C N O T I C E

**TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES CORPORATION AND
OTHER INTERESTED PERSONS**

The Delaware Public Service Commission (the "Commission") will conduct a public comment session and evidentiary hearing concerning the above-captioned case (as further explained below) at the following time and location:

<u>Date & Time</u>	<u>Location</u>
Tuesday, February 23, 2016 at 1:00 p.m.	Hearing Room Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building Dover, DE 19904

Chesapeake Utilities Corporation's Environmental Rider Rate

Pursuant to the environmental remediation recovery mechanism approved in PSC Order No. 4104 (December 19, 1995) in PSC Docket No. 95-73, Chesapeake Utilities Corporation ("Chesapeake") has filed an application (the "Application") with the Commission proposing an increase in the Environmental Rider ("ER") from a surcharge of \$0.0000 per Ccf to \$0.0001 per Ccf for all firm delivery customers. The increased rate will become effective with usage on and after December

1, 2015, with proration, subject to modification and refund after an evidentiary hearing.

For a typical residential heating customer using 120 Ccf of gas per month, the effect of the proposed ER rate change will be an increase in the monthly bill of approximately \$0.01, or a 0.01% increase in their total bill.

By **Order No. 8817**, dated November 24, 2015, the Commission approved the proposed rates to become effective with usage on and after December 1, 2015, with proration, subject to modification and refund after an evidentiary hearing.

You are invited to review Chesapeake's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file management system, and by searching for Docket No. 15-1516.

Interested persons or entities are afforded the opportunity to file comments or objections to the proposed change in the ER rate. Such comments or objections shall be filed **on or before December 31, 2015** using DelaFile.

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before December 22, 2015**. All such petitions should be also be filed in DelaFile according to the Commission's Rules ((26 Del. Admin. C. §1001-1.6.4). Petitions for intervention that are not received by the

Commission **on or before December 22, 2015**, will not be granted unless good cause is shown. If intervention status is granted, any intervenor wishing to oppose the Application must file pre-filed testimony with the Commission on or before **December 31, 2015**. Any submissions sent by an intervenor that are not received by the Commission **on or before December 31, 2015** will not be considered. Such submissions shall be filed using DelaFile to be served on the persons identified in **Order No. 8817** in this docket.

On **February 23, 2016, starting at 1:00 p.m.**, the Commission will consider whether to grant Chesapeake's Application. The evidentiary hearing will be held at the Commission's office located at 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, Delaware 19904. The Commission will render a decision based upon the evidence presented to it at this evidentiary hearing. In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on February 23, 2016.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at (302) 736-7500 or by sending an email addressed to donna.nickerson@state.de.us. You may also review copies of Chesapeake's application and supporting documents at the office of the Division of the Public Advocate located at either 820 North French Street, 4th Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, Delaware 19901. Please call either (302) 577-5077 or (302) 241-2555 to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://depsc.delaware.gov>, or by visiting this web address <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to jason.r.smith@state.de.us.